

ETHNIC AND RACIAL MINORITIES & SOCIOECONOMIC STATUS



SOCIOECONOMIC STATUS

Socioeconomic status (SES) encompasses not just income but also educational attainment, financial security, and subjective perceptions of social status and social class. Socioeconomic status can encompass quality of life attributes as well as the opportunities and privileges afforded to people within society. Poverty, specifically, is not a single factor but rather is characterized by multiple physical and psychosocial stressors. Further, SES is a consistent and reliable predictor of a vast array of outcomes across the life span, including physical and psychological health. Thus, SES is relevant to all realms of behavioral and social science, including research, practice, education, and advocacy.

SES AFFECTS OUR SOCIETY

SES affects overall human functioning, including our physical and mental health. Low SES and its correlates, such as lower educational achievement, poverty, and poor health, ultimately affect our society. Inequities in health distribution, resource distribution, and quality of life are increasing in the United States and globally. Society benefits from an increased focus on the foundations of socioeconomic inequities and efforts to reduce the deep gaps in socioeconomic status in the United States and abroad.

The relationship between SES, race, and ethnicity is intimately intertwined. Research has shown that race and ethnicity in terms of stratification often determine a person's socioeconomic status (U.S. Census Bureau, 2009). Furthermore, communities are often segregated by SES, race, and ethnicity. These communities commonly share characteristics: low economic development, poor health conditions, and low levels of educational attainment. Low SES has consistently been implicated as a risk factor for many of these problems that plague communities.

Research indicates that there are large health disparities based on social status that are pervasive and persistent. These health disparities reflect the inequalities that exist in our society. It is important to understand how various social statuses intersect, because race and socioeconomic status affect health exclusively as well as mutually (Williams & Mohammed, 2013).

SES IMPACTS THE LIVES OF MANY ETHNIC AND RACIAL MINORITIES

Discrimination and Marginalization

Discrimination and marginalization can serve as a hindrance to upward mobility for ethnic and racial minorities seeking to escape poverty.

- In the United States, 39% of African American children and adolescents and 33% of Latino children and adolescents are living in poverty, which is more than double the 14% poverty rate for non-Latino, White, and Asian children and adolescents (Kids Count Data Center, Children in Poverty 2014).
- Minority racial groups are more likely to experience multidimensional poverty than their White counterparts (Reeves, Rodrigue, & Kneebone, 2016).
- American Indian/Alaska Native, Hispanic, Pacific Islander, and Native Hawaiian families are more likely than Caucasian and Asian families to live in poverty (U.S. Census Bureau, 2014).
- Although the income of Asian American families often falls markedly above other minorities, these families often have four to five family members working (Le, 2008). African Americans (53%) and Latinos (43%) are more likely to receive high-cost mortgages than Caucasians (18%; Logan, 2008).
- African American unemployment rates are typically double that of Caucasian Americans. African American men working full-time earn only 72% of the average earnings of comparable Caucasian men and 85% of the earnings of Caucasian women (Rodgers, 2008).



Education

Despite dramatic changes, large gaps remain when minority education attainment and outcomes are compared to White Americans.

- African Americans and Latinos are more likely to attend high-poverty schools than Asian Americans and Caucasians (National Center for Education Statistics 2007).
- From 2000 to 2013 the dropout rate between racial groups narrowed significantly. However, high school dropout rates among Latinos remain the highest, followed by African Americans and then Whites (National Center for Education Statistics, 2015).
- In addition to socioeconomic realities that may deprive students of valuable resources, high-achieving African American students may be exposed to less rigorous curriculums, attend schools with fewer resources, and have teachers who expect less of them academically than they expect of similarly situated Caucasian students (Azzam, 2008).
- 12.4% of African American college graduates between the ages of 22 and 27 were unemployed in 2013, which is more than double the rate of unemployment among all college graduates in the same age range (5.6%; J. Jones & Schmitt, 2014).

Physical Health

Institutional discrimination creates barriers to health care access. Even when stigmatized groups can access care, cultural racism reduces the quality of care they receive (Williams & Mohammed, 2013).

- Racial and ethnic minorities have worse overall health than that of White Americans. Health disparities may stem from economic determinants, education, geography and neighborhood, environment, lower quality care,
- inadequate access to care, inability to navigate the system, provider ignorance or bias, and stress (Bahls, 2011).
- Socioeconomic status and race/ethnicity have been associated with avoidable procedures, avoidable hospitalizations, and untreated disease (Fiscella, Franks, Gold, & Clancy, 2008).
- At each level of income or education, African Americans have worse outcomes than Whites. This could be due to adverse health effects of more concentrated disadvantage or a range of experiences related to racial bias (Braveman, Cubbin, Egerter, Williams, & Pamuk, 2010).
- Low birth weight, which is related to a number of negative child health outcomes, has been associated with lower SES and ethnic/minority status (Fiscella et al., 2008).
- There are substantial racial differences in insurance coverage. In the preretirement years, Hispanics and American Indians are much less likely than Whites, African Americans, and Asians to have any health insurance (Williams, Mohammed, Leavell, & Collins, 2010).

Psychological Health

Socioeconomic deprivation and racial discrimination have been implicated in higher psychological distress.

- Wealth partially explains racial and ethnic differences in depression. Negative net worth, zero net worth, and not owning a home in young adulthood are significantly associated with depressive symptoms, independent of the other socioeconomic indicators (Mossakowski, 2008).
- Hispanics and African Americans report a lower risk of having a psychiatric disorder compared with their White counterparts, but those who become ill tend to have more persistent disorders (McGuire & Miranda, 2008).
- Research on post-traumatic stress disorder (PTSD) indicates that African Americans, Hispanics, Asians, American Indians, and Native Hawaiians have higher rates of PTSD than Whites, which are not accounted for by SES and their history of psychiatric disorders (Carter, 2007).
- American Indians are at heightened risk for PTSD and alcohol dependence (McGuire & Miranda, 2008).
- Perceived discrimination has been shown to contribute to mental health disorders among racial/ethnic groups such as Asian Americans and African Americans (Jang, Chiriboga, Kim, & Rhew, 2010; Mezuk et al., 2010).
- Compared with Whites, African Americans are more frequently diagnosed with schizophrenia, a low-prevalence but serious condition (McGuire & Miranda, 2008).

GET INVOLVED

- Consider SES in your education, practice, and research efforts.
- Stay up to date on legislation and policies that explore and work to eliminate socioeconomic disparities. Visit the Office on Government Relations for more details: <http://www.apa.org/about/gr/pi/>
- Visit APA's Office on Socioeconomic Status (OSES) website: www.apa.org/pi/ses
- Visit APA's Office on Aging website: <http://www.apa.org/pi/aging/>
- Visit APA's Office on Ethnic Minority Affairs website: <http://www.apa.org/pi/oema/>

References can be found at <http://www.apa.org/pi/ses/resources/publications/fact-sheet-references.aspx>.